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AGRICULTURAL COOPERATION

LEGAL, ECONOMIC, AND ORGANIZATION INFORMATION COLLECTED BY THE DIVISION OF COOPERATIVE MARKETING,
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BUYING FARM SUPPLIES COOPERATIVELY

There are between twenty-five and thirty large-scale farmers' cooperative buying associations in the United States. These organizations are serving more than a quarter million farmers and in 1927 purchased supplies for their patrons to the value of \$60,000,000.

Although most of the large-scale purchasing organizations are affiliated with other farmers' organizations, five for which data are available are independent enterprises. These serve, directly or through local units, approximately 130,000 farmers and in 1927 transacted business amounting to \$30,000,000. Among the five are the Cooperative Grange League Federation Exchange, Inc., Ithaca, N. Y., and the Eastern States Farmers' Exchange, Springfield, Mass. The former serves approximately 50,000 farmers in the states of New York, Pennsylvania and New Jersey, and the latter 25,000 farmers in New England, Delaware and eastern Maryland. Both organizations specialize in open-formula dairy and poultry feeds, seeds of known origin, and high-grade fertilizers. Both associations control mills for the manufacture of their own feeds.

Ten large-scale associations, creations of state farm bureaus, are buying fertilizers, feeds, seeds, spraying materials, and other supplies, for farmers in Illinois, Indiana, Michigan, Ohio, Tennessee, Louisiana, Alabama, West Virginia, and Maryland.

Associations affiliated with the Farmers' Union movement have been active as large-scale purchasing agencies in several of the states west of the Mississippi River. The Farmers' Union State Exchange, Omaha, Nebr., served many Nebraska farmers during 1927, transacting business to the amount of \$1,600,000.

Six large-scale purchasing associations affiliated with marketing associations served about 30,000 farmers last year and reported gross sales for the year of approximately \$17,000,000. The Fruit Growers' Supply Company, affiliated with the California Fruit Growers Exchange, Los Angeles, provides the box shoo and other supplies required by the 200 packing houses, also fertilizers, spraying materials, and orchard supplies for many of the members of the local associations. Sales of the Supply Company for 1927 were more than \$10,000,000.

The purchasing department of the Land O'Lakes Creameries, Inc., Minneapolis, handles the supplies required by the local creameries which sell their output through the central organization. Gross business for the last fiscal year was more than \$1,500,000.

FLORIDA CITRUS EXCHANGE REPORTS FOR PAST SEASON

Up to May 10, the Florida Citrus Exchange, Tampa, had returned to its subexchanges a total of \$12,118,673, or nearly \$3,000,000 more than on the same date last year, even though less fruit was handled. A final payment is still to be made.

The Exchange held its annual meeting at Tampa on June 7, at which time the president and other officers were reelected for the third consecutive year. The past season was reported to be "one of the best the Exchange has ever had." Movement of fruit was maintained "at a fairly satisfactory and uniform rate." Shipments of the Exchange totaled 9,813 cars, of which 5,735, or 58 per cent, were sold at private sale, and 4,011 cars were sold at auction. The cars sold at private sale went to 920 customers in 378 towns in 44 states and seven Canadian provinces.

Because of the limited quantity of fruit the Exchange exported only enough to maintain its brand in the European markets. There was a good demand for Seald-Sweet grapefruit which was sold in ten countries of Europe.

While expenses of operation were \$15,275 less than last year the cost per box was somewhat larger, the figure for 1927 being 7.4 cents, and for 1928, 8.6 cents. This was the result of having about one million boxes less to handle than in the former year.

Shipments during the life of the Exchange have been as follows:

Season	Boxes shipped	Season	Boxes shipped
1909-10	1,482,359	1919-20	3,770,511
1910-11	832,310	1920-21	3,905,841
1911-12	741,917	1921-22	3,805,942
1912-13	1,780,301	1922-23	5,205,510
1913-14	1,481,471	1923-24	- - - - -
1914-15	1,945,602	1924-25	- - - - -
1915-16	1,735,422	1925-26	3,858,572
1916-17	1,289,984	1926-27	*4,440,030
1917-18	1,184,711	1927-28	**3,900,000
1918-19	2,238,084		

* To May 10, 1927. ** Approximately.

Reports show that during the past season the Exchange was made up of 11 active subexchanges, serving 80 local units and 8 special shippers, and operating 74 packing houses. Eighteen of these houses are equipped with precooling plants. Two small associations were eliminated as inactive during the year.

Purchases by the Exchange Supply Company last year aggregated 429,436, 4 per cent less than the previous year.

FLORIDA ASSOCIATION MARKETS MANY CARS OF TOMATOES

Eight hundred car loads (358,400 crates) of tomatoes were marketed by the Florida East Coast Growers' Association, Miami, Fla., during the fiscal year ending June 19, 1928. The average charge of 4.718 cents a crate for marketing gave the association \$16,912 in revenue. In addition, \$1,616 was received as profit on crate material handled. Interest and discount earned amounted to \$2,618. Expenses for the year were \$27,956. The association had a net worth on June 19, of \$103,157, including an operating fund of \$48,481, and a retain fund of \$54,649.

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PEACH AND FIG ASSOCIATION WORKING FOR EFFICIENCY

As the California Peach and Fig Growers' Association, Fresno, has now operated three years since its reorganization, the president, in his annual report for the 1927-28 season, touches on many of the accomplishments of the three years. Figures showing the quantities of fruit handled each of the three years are as follows:

Fruit	1925	1926	1927
	(Tons)	(Tons)	(Tons)
Peaches	2,489	6,189	*6,252
Calimyrnas	441	821	778
Adriatics	2,644	2,294	1,571
Black Missions	370	430	435
Total	5,944	9,734	9,036

* 3,022 tons bought outside of membership.

During the past season the growers sold an unusually large part of their peach crop as fresh fruit, which made it necessary for the management to buy 3,000 tons late in the year to fill contracts.

Through increased efficiency and economy, considerable savings have been made in certain lines. Packing charges per ton on peaches in 2-lb. cartons have been reduced from \$5.83 in 1925, and \$6.13 in 1926, to \$4.27 in 1927; and on figs in 25-lb. boxes, from \$4.06 in 1925, and \$2.86 in 1926, to \$2.60 in 1927. Administrative costs were \$5.73 per ton in 1925 and \$3.04 in 1927; and cost of selling was \$22.21 in 1925, and \$15.89 in 1927. These figures are on a tonnage basis and the management is confident that double the tonnage could be handled with only a very slight increase in these amounts. Other costs covered handling charges, accounting and number service.

Further economies have been effected by disposing of the idle plants and installing improved machinery devised by employees in the active plants which are now fully equipped to manufacture dried peaches and figs on an efficient and economical basis.

LOUISIANA TRUCK GROWERS SHIPPING COOPERATIVELY

The Louisiana Farm Bureau Selling Exchange is now handling straight and mixed cars of vegetables from four parishes. At last reports 181 growers had contracted to ship through this agency. As some of these are large growers the contracts represent at least 500 cars of white potatoes alone. Crops already shipped include: carrots, cabbage, beets, mustard, spinach, and shallots, with some straight cars of mustard and spinach.

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WASHINGTON ASSOCIATION PLANS FOR MORE BUSINESS

Expansion of facilities is the order of the day with the Wenatchee District Cooperative Association, Wenatchee, Wash. The staff of the central organization moved into new and more commodious quarters early in May; the Wenatchee local is constructing a modern cold storage and packing plant at a cost of about \$120,000; and the Grant Orchards local unit is converting a warehouse into a cold storage plant and adding a new packing house. The new Wenatchee plant will provide storage for 180 cars, and the Grant Orchards plant will be large enough to take care of the fruit of its members and also handle some tonnage on a commercial basis.

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"BIG Y" MANAGERS PLANNING YEAR'S WORK

Representatives of 15 warehouses of the Yakima Fruit Growers' Association, Yakima, Wash., met in Yakima on May 28 and held a two-day conference on matters pertaining to handling the "greatest crop in its history." These representatives included the plant managers, their warehouse and packing foreman, and the office executives. The meeting was said to be both practical and inspirational, giving every man the benefit of the experience of others and also giving him a broad view of the relationship of his own work to that of the entire group.

The association no longer works to put out all fruit that is just good enough to ship, but endeavors to pack and ship fruit in such a manner that it will reach the consumer in the best possible condition. The season has already begun with shipments of cherries.

A new process has been adopted for handling soft fruits and will be used this season on cherries, prunes, apricots and pears, also on peaches in mixed cars. Advertising this process was begun recently with a full page advertisement in a trade paper. The day before the advertisement appeared, a copy of the advance proof was delivered to customers and brokers in selected cities, together with a telegram signed by the general manager of the association.

SEVEN YEARS OF DAIRYMEN'S LEAGUE ACHIEVEMENTS

The biggest annual meeting in the history of the Dairymen's League Cooperative Association, Inc., was held at Rochester, N. Y., on June 21, 1928. More than 3,000 persons were in attendance, most of them members of the League. Detailed reports of the activities of this cooperative milk-marketing organization during the year ending March 31, 1928, were made by the officers of the association.

In the matter of gross sales the 1927-28 season was the largest in the history of the organization. Furthermore, the total of returns to farmers was larger than for any previous season. The gain in contract-members during the year was the largest in five years, more than 7,400 new contracts being received. The average number of participating members for the year was 38,735.

The association began operating as a milk-distributing organization on May 1, 1921. During the seven years ending with March 31, 1928, pooled milk amounting to nearly eighteen billion pounds was sold for approximately \$433,000,000.

In the early years of the association the greater part of the milk sold by the organization was handled in plants operated by the dealers to whom it was sold. The quantity handled in plants operated by the association is now 47 per cent of the total. From the beginning more than 85 per cent of all the milk handled has been sold as milk or cream. For the last three years more than 97 per cent of the gross sales have come from milk marketed in this way, as will be noted by the figures below:

Year ending March 31	Milk pooled	Milk handled in association plants	Gross sales	Per cent of total sales from milk*
	(Pounds)	(Per cent)		
1922**	2,565,476,805	----	\$61,943,832	----
1923	3,359,273,358	27.3	82,130,902	85.8
1924	2,677,431,478	33.4	75,132,468	88.3
1925	2,358,941,906	40.8	65,048,895	89.3
1926	2,270,526,840	39.4	66,632,884	97.3
1927	2,224,220,066	46.5	73,716,900	97.8
1928	2,420,384,585	47.3	82,501,310	97.6

* Fluid milk, skim milk, cream.

** Eleven months.

The percentages for the various items making up the gross sales for the 1927-28 season were: milk sold to dealers, 52.7 per cent; fluid milk, skim milk and cream sold from association plants, 44.9; miscellaneous dairy products sold from association plants, 2.4 per cent. The sales values of some of the miscellaneous products were: ice cream, \$517,041;

condensed milk, \$503,074; cheese, \$470,350; skim milk powder, \$312,893; butter, \$91,296. The greater part of the milk is sold in 13 city markets.

At the close of the 1927-28 business year the association was operating 215 milk plants. Forty-four plants had been acquired during the year, 15 of these having been built by the association.

The average yearly gross price for pooled milk, with 3 per cent (3.5 per cent since 1926) butterfat content delivered at points within the 201-210 mile zone from New York City, has varied from less than \$1.90 to more than \$2.60 for each one hundred pounds. Deductions for the expense of pooling have varied from 6 cents to nearly 9 cents per 100 pounds. The figures for the several years as compiled from the annual reports of the association are given in the table below:

Year ending March 31	Gross pool price	Deductions for expense	Net pool price to producers	Deduction for certificates of indebtedness*
1922	**\$2.0100	\$0.0500	\$1.9600	\$0.1680
1923	** 1.9000	0.0695	1.8305	0.1376
1924	** 2.1000	0.0871	2.0129	0.0957
1925	** 1.8979	0.0832	1.8147	0.0747
1926	** 2.1889	0.0669	2.1220	0.1000
1927	# 2.4740	0.0620	2.4120	0.1120
1928	# 2.6090	0.0600	2.5490	0.1110

* For use as capital. Certificates of indebtedness bear 6 per cent interest and are redeemed at the end of five years.

** Milk 3 per cent butterfat. # Milk 3.5 per cent butterfat.

On May 1, 1927, the outstanding certificates of indebtedness issued at the close of the first business year (1922) were redeemed. The amount of certificates of indebtedness outstanding at the close of business, March 31, 1928, was \$11,156,260. These covered deductions made for the years ending with March of 1923, 1924, 1925, 1926, and 1927. The certificates issued at the close of the 1922-23 business year are now due for redemption.

A milk-education campaign in 35 New York schools was started during the past year, an appropriation of \$20,000 being made for the purpose. It is proposed to reach 36,000 children during the current year with instruction relative to the nutritive value of milk.

The work of the home department of the League has been expanded with the result that the women on the dairy farms are taking an increased interest in the welfare of the association. Thirty-three counties are now organized for women's work.

TWIN CITY ASSOCIATION COMPARES APRIL FIGURES

April records of the Twin City Milk Producers' Association, St. Paul, Minn., show receipts of 27,521,699 pounds of milk, almost exactly one million pounds more than in April, 1927. The quantity which was sold as market milk was 254,854 pounds more than in 1927.

The milk was utilized as follows:

Sold to distributors.....	46.2 per cent
Separated for sweet cream and butter.....	44.7 " "
Made into cheese.....	6.6 " "
Made into condensed milk and ice cream	2.5 " "

Handling costs amounted to 25 cents per hundred pounds of milk, compared with 22 cents for April of 1927. The manager states that the additional three cents went entirely for sugar required for the larger quantities of sweetened condensed milk made. While it shows up as an extra expense, it brings increased returns in the sales and also helps greatly in making a market outlet for the milk.

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WISCONSIN CREAMERY NEARLY FORTY YEARS OLD

About 200 milk producers in the vicinity of Galesville, Wis., are served by the Arctic Springs Creamery Company, which was established in 1889. Although its outstanding capital stock amounts to less than \$7,000, the company owns land, buildings, and equipment valued at nearly \$40,000.

For each of the last four years more than 800,000 pounds of butter have been made, the sales value ranging from \$300,000 to \$400,000. The net earnings for the last three years have been: 1925, \$3,167; 1926, \$704; 1927, \$2,037.

The growth of the company since 1920 is indicated by the table below:

Year	Cream received	Butter made	Butter sales	Paid patrons
	(Pounds)	(Pounds)		
1920	1,372,875	488,055	\$274,051	\$248,694
1921	1,642,208	535,647	217,291	185,522
1922	2,148,437	664,265	259,942	228,883
1923	2,506,442	781,475	351,989	321,601
1924	2,589,721	811,544	331,829	299,437
1925	2,543,035	820,586	359,249	327,742
1926	2,415,009	806,766	343,220	309,835
1927	2,406,932	809,160	371,551	338,815

POULTRY BUSINESS INCREASING IN NORTH CAROLINA

Forty cars of live poultry were shipped from western North Carolina from February 1 to June 1 by the poultry department of the Farmers' Federation, Asheville, N. C. Farmers who delivered this poultry received \$125,000. County agents assisted in collecting the products for shipment.

A poultry car was operated through Swain County every two weeks, stopping at various stations to receive the live poultry brought in by the farmers. Sales from this county alone amounted to \$7,517, compared with \$2,000 last year during the corresponding period. In 1927 a few persons in different parts of the country began raising poultry as a cash side line and made records which are being used in building a permanent industry. Last year farmers of the county bought 5,000 baby chicks and this year they bought more than 15,000.

The manager of the poultry department of the Federation states that the poultry business has developed to such a point that he will continue to make shipments right through the summer, and is already planning for year-round service. He proposes to send the poultry to northern summer resorts during the summer. Farmers are increasing the size of their flocks since they feel that a dependable market has been established.

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EGG ASSOCIATION INSTALLS COLLECTION SERVICE

Several changes in methods of operation were made by the Tulare Cooperative Poultry Association, Tulare, Calif., during 1927. Payment of cash for eggs on delivery was discontinued and all eggs are now handled on a monthly pool basis. A trucking service has been installed for gathering eggs and delivering feeds. The number of laying hens decreased about one-fourth during the year, with the result that but 344,499 dozens of eggs were received, compared with 418,134 dozens the preceding year. The average price paid for eggs in 1927 was 24.03 cents.

Comparative figures for the last three years are as follows:

Commodity	1925	1926	1927
Grain and supplies	\$136,781	\$101,519	\$ 89,678
Eggs	165,455	124,070	82,777
Poultry	54,482	54,212	41,536
Baby chicks	10,362	7,279	6,594
Coops	358	498	474
Sundry	23	30	339
Total	\$367,461	\$287,608	\$221,398

LAND O'LAKES CREAMERIES BUYING EGGS

About 10,000 farmers are now availing themselves of the new egg-selling service of the Land O'Lakes Creameries, Inc., Minneapolis, Minn. Producers deliver their eggs through the local creameries and receive an advance payment. The eggs are candled and graded at Minneapolis, Duluth, or Thief River Falls. Eggs which grade Land O'Lakes quality bring a premium of one to three cents a dozen.

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SASKATCHEWAN ASSOCIATION CHANGES MARKETING PLAN

Dressed poultry and eggs are the products to be handled hereafter by the Saskatchewan Cooperative Poultry Producers, Ltd., as the board of directors decided at a recent meeting to discontinue feeding and killing operations for the future. At the same meeting the board authorized a final payment for the live poultry pool which opened November 1, 1927, and closed February 29, 1928. This payment will be on the basis of 2 cents a pound for the various classes of poultry and from 3 to 5 cents for turkeys.

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WASHCOEGG ISSUES FIFTH BIRTHDAY NUMBER

Washcoegg, the official publication of the Washington Cooperative Egg and Poultry Association, Seattle, Wash., issued its Fifth Annual Birthday Number under date of June 16, 1928.

Two pages are given to charts, illustrating graphically the growth of the association since 1917. From these pages the following figures have been selected:

Year	Number of members	Capital and reserves	Eggs received (Cases)	Gross sales	Feed sold (Tons)
1917	114	\$ 675	14,285	\$ 214,000	- - - -
1918	150	2,287	26,183	393,000	- - - -
1919	335	10,828	33,183	555,000	- - - -
1920	1,196	41,121	85,060	1,407,759	- - - -
1921	2,221	134,982	200,287	2,228,939	3,178
1922	2,084	295,202	266,284	3,026,398	8,340
1923	2,994	518,737	326,135	4,278,540	13,462
1924	3,764	686,163	373,112	6,213,009	26,541
1925	5,071	981,251	531,090	10,969,501	59,351
1926	6,632	1,852,100	740,990	14,662,135	83,246
1927	8,133	2,686,042	960,486	18,387,588	109,845

MINNESOTA WHEAT GROWERS PRESENTING NEW CONTRACT

As the five-year contract of the Minnesota Wheat Growers' Co-operative Marketing Association, Minneapolis, expires with 1928 deliveries, the management is planning for a membership campaign. A new contract to cover the years 1928-1935 and with a minimum of 300,000 acres is to be presented to all wheat growers for signature. The association already has 125,000 acres which will be brought under the new contract. With the required acreage the association will control from two and one-half to three and one-half million bushels of wheat, depending upon crop conditions.

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BUSINESS MEN ENDORSE SOUTH DAKOTA WHEAT POOL

Business men of Aberdeen, S. D., are taking an active part in the membership campaign of the South Dakota Wheat Growers' Association. A committee of these men visited the offices of the association and went through the records of the organization, including the certified audits. This investigation was continued until the committee was convinced that the association was on a sound financial basis and deserved the support and endorsement of the business men of the state.

Two important changes were incorporated in the new by-laws adopted at a special meeting on May 19. The first change is a provision for the formation of local associations, and the second makes the marketing contract run for ten years and gives a member the privilege of withdrawing in June of any year after he has delivered two crops to the association.

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DIVIDENDS PAID AT ANNUAL MEETING

A patronage dividend and an 8 per cent dividend on capital stock were announced as features of the annual meeting of the Farmers' Elevator Company, Barnesville, Minn., scheduled for the latter part of June. During the past year the earnings from the trading transactions amounted to \$16,863 and other earnings to \$5,027. Expenses were \$13,101 and net earnings \$8,789, compared with \$10,310 for the preceding year.

Outstanding capital stock on May 26, 1928, amounted to \$15,350 and surplus to \$37,328. This association was first organized in 1908 as the Barnesville Farmers' Elevator Company. In 1920 it was reorganized as a farmers' cooperative enterprise and the name changed to the Barnesville Farmers Cooperative Exchange. In October of 1927 the name was changed back to the original form. At the present time there are 167 shareholders and during the past year there were 554 patrons.

OKLAHOMA COTTON ASSOCIATION SEVEN YEARS OLD

Approximately one million bales of cotton have been marketed co-operatively for the members of the Oklahoma Cotton Growers' Association, Oklahoma City, during the seven years in which that organization has been active. When the final payments are made on the cotton in the 1927-28 pools the members will have been paid about \$100,000,000.

This association began serving its members in 1921 and received 91,311 bales of cotton of the 1921 crop. Receipts for the subsequent years have been as follows: 1922 crop, 65,868 bales; 1923 crop, 118,743 bales; 1924 crop, 141,440 bales; 1925 crop, 206,442 bales; 1926 crop, 195,921 bales; 1927 crop, 163,661 bales. The quantity delivered in 1927 was 17 per cent of the cotton production of the state.

Of the total bales received, 106,071, 65 per cent, were placed in the daily pool to be sold on order of the member delivering; 53,641 bales, 33 per cent, were placed in the seasonal pool; and 3,949 bales, 2 per cent, in the monthly pools. The manager in commenting upon the above facts at the annual meeting, May 29, stated that the daily and seasonal pools seemed to serve practically all the needs of the members.

Of the cotton received up to May 25, 138,426 bales had been sold, 128,246 bales had been shipped, and 25,235 bales were still to be sold. Net sales to that date were nearly \$13,000,000.

A larger portion of the season's receipts were sold direct to the cotton spinners and for export than ever before in the history of the association. Sales to mills included 31,829 bales, and 47,750 bales were sold for export. Shipments were made to Germany, France, England, Spain, Italy, Switzerland, and some of the other countries.

In regard to the development of the cooperative spirit in the territory covered by the association, the manager said, "We find that wherever there is a cooperative gin, we get large receipts." He also stated that delivery of cotton by members increased in those communities where there were bankers friendly to cooperation.

During the past year 5,554 new members were received into the association and 6,960 old members signed the new marketing agreement. Less than two per cent of the membership withdrew from the association during the period in which withdrawals could be made.

In summing up the seven years of cooperative activity the general manager said, at the annual meeting:

The Oklahoma Cotton Growers' Association was one of the first big cooperative movements started in this State. . . . It has, like every other industry, during its lifetime made mistakes. It has made desperate efforts to correct these mistakes, and is doing so very rapidly. . . . It was, to a great extent, an experiment. I feel that we should be proud of the record we have made. . . . under the most adverse circumstances.

COOPERATIVE SELLING AND BUYING IN PENNSYLVANIA

Data for cooperative selling and buying by Pennsylvania farmers have been compiled by the Pennsylvania Department of Agriculture for the last four years. The figures show that the volume of business, as measured in dollars, has increased from \$32,400,000 to \$47,700,000, an increase of more than 47 per cent.

More than 80 per cent of the cooperative business consists of the sale of milk and other dairy products. The cooperative marketing of fruits and vegetables accounts for about 3 per cent of the total business, and the purchase of supplies represents about 15 per cent of the cooperative business.

The amount of business for each group of commodities for each of the years is as follows:

Commodity	1924	1925	1926	1927
Milk and milk products	\$26,284,239	\$25,033,453	\$28,545,342	\$38,758,415
Fruits and vegetables	1,110,358	1,105,824	1,016,124	1,139,599
Livestock (Dairy cattle)	- - - -	51,500	134,412	132,909
Eggs	109,000	89,910	96,000	98,000
Wool *	65,000	79,183	73,832	58,256
Farm supplies	4,840,403	4,553,744	5,311,299	7,576,929
Total	\$32,409,000	\$30,913,614	\$35,177,009	\$47,764,108

* Including only wool sold through incorporated cooperative associations. Considerable wool is sold through unincorporated pooling organizations.

The greater part of the total business is handled by seven interstate associations serving farmers in Pennsylvania and adjoining states. The figures given, however, are for farmers in Pennsylvania only.

The number of associations covered by the data tabulated and the percentage of total business credited to each group is as follows:

Year	Local associations			Interstate associations		
	Number	Business	Per cent of total business	Number	Business	Per cent of total business
1924	94	\$6,360,000	19.6	6	\$26,049,000	80.4
1925	95	6,594,403	21.1	6	24,319,211	78.9
1926	95	6,300,591	17.9	7	28,876,419	82.1
1927	115	8,121,898	17.0	7	39,642,210	83.0

CREDIT STUDY RELATIVE TO COOPERATIVE PURCHASES

A study of credit purchases by farmers' elevators and Farm Bureau service companies in Ohio, by the Department of Rural Economics of the Ohio State University, indicates that the credit policies of the farmers' elevators are more nearly uniform than those of the service companies which have come into existence during the last few years. Five distinct types of credit were in use in the area covered by the study, namely (1) merchant or open book account, (2) bank credit, (3) purchaser notes to manufacturer, (4) loan and finance company credit, (5) advances to farmers on commodities.

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LIMESTONE BY SPECIAL DELIVERY IN MISSOURI

"Special delivery" of agricultural limestone to Missouri farmers is a new type of service secured through cooperative effort. A special train brought 11 cars of limestone into a county and nine of the cars were unloaded along the right of way, in some instances at the fields where the lime was to be applied, and in other instances, as near the buyer's land as possible. The hauling saved to the farmers whose lime was dumped between stations was estimated to be from two and one-half miles for some farms to five miles for others, and the total saving was 1,750 ton-miles.

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FARMERS BUY THEIR SUPPLIES COOPERATIVELY

Farm supplies and farm machinery to the value of about \$280,000 are bought annually through the Farm Service Exchange, Inc., Morristown, N. J., by the 400 farmers who are members of the association. These annual purchases include about 2,000 tons of dairy feeds, several hundred tons of hay and an equal quantity of straw, about 500 tons each of lime and fertilizers, and large quantities of seeds, spraying materials, farm machinery, automobile accessories, and building material. During 1927 the association distributed supplies to the amount of \$68,000 from Dover, and to the amount of \$217,000 from Morristown.

The association was organized in 1917. Its activities for the last four years are indicated by the following figures:

Year	Net sales	Net earnings	Net worth
1924	\$231,690	\$5,560	\$40,045
1925	231,178	5,965	50,614
1926	209,822	3,022	55,401
1927	283,837	4,490	63,934

UNCONDITIONAL CONTRACTS MUST BE PERFORMED

In *Esken v. California Fruit Exchange*, decided by the Supreme Court of California, 263 P. 804, it appeared that the California Fruit Exchange entered into a contract for the sale of five car loads of Zinfandel grapes, to be delivered as specified in the contract, which grapes were to meet the requirements of U. S. grade No. 1. One car load was delivered but the next two car loads that were tendered failed to pass the United States inspector as being No. 1, as required by the contract, and the buyer refused to accept them, whereupon the Exchange notified the buyer that, owing to weather conditions then existing in the district from which the grapes were shipped, no more grapes which were grade No. 1 would be shipped.

Grapes having advanced in price over the amount specified in the contract, the buyer brought suit against the Exchange on account of its failure to deliver four cars of grapes, and in the trial court recovered a judgment in the amount of \$1,142.10. The Exchange then appealed. In affirming the judgment of the trial court, the Supreme Court said:

The contract was a general and unqualified agreement for the sale of five car loads of grapes of a certain standard, and this being so it was the duty of the seller under the terms of the contract to procure the required quantity of such grapes from whatever place or places they were procurable, and even to go into the market, if necessary, and obtain the grapes required for the fulfillment of its contract.

The Court also accorded approvingly:

Where one makes an unqualified agreement to sell goods to be delivered at a fixed time, or on demand of the buyer within a stated period, and it is inherently possible to obtain the goods, the fact that the seller may have expected to manufacture the goods himself, or to procure them from a certain source, and has not been able to complete or obtain them when delivery is due, does not excuse performance. In that event, his contract being unconditional and unqualified, he must go into the market if necessary and obtain the goods, and he will be liable in damages for non-delivery.

Impossibility arising subsequent to the making of a contract does not as a rule excuse performance, but impossibility created by the Act of God, the law or the other party, does excuse performance. Generally speaking, all other conditions that may prevent the performance of a contract should be excepted therefrom at the time it is drawn.

L. S. Hulbert.

DIRECTOR NOT AUTHORIZED TO RELEASE MEMBER

May a director by virtue of his office, or otherwise, release a member of a cooperative association from his contract to deliver his products thereto? This question was considered in the case of the California Canning Peach Growers v. Harris, decided by a district court of appeal in California, 267 P. 572. The cooperative brought suit to recover liquidated damages on account of the failure of the defendant to deliver his peaches to it, and the defendant attempted to defend by claiming that a director of the association had released him from his contract to deliver. The cooperative lost in the trial court, and then appealed, but the appellate court reversed the judgment of the lower court on the ground that the director was not authorized to release the defendant from his contract. It was not claimed that the director had been specifically authorized by the association to release anyone from his contract, but it was claimed that his attempted action with respect to this matter "was within the scope of his authority." With respect to this matter the appellate court pointed out that the director had not been held out by the association as having authority to release members from their contracts. In this connection the court said:

Where a corporation holds out to the world as its agents, persons apparently clothed with power to transact ordinary business, third parties will not be permitted to suffer from the acts of such agents by the corporation's attempted defence that the ostensible authority was not in fact conferredWhen a corporation, by a long course of acquiescence, holds out an officer or agent as having the authority to do certain things, it cannot, after he has acted, repudiate his acts. But in the case at bar there is no evidence that Denison, with the knowledge and acquiescence of its directors or general manager or by their direction, ever had exercised authority of the kind called in question in this case.

Therefore as the director had not been specifically authorized to release members, and as he had not been held out as having such authority, the appellate court held he was not authorized to do so. Corporations can act only through agents, but unless a corporation has expressly or impliedly authorized action which they take, it is not bound thereby.

L. S. Hulbert.

SIXTH CONGRESS OF CONSUMERS' SOCIETIES

The sixth biennial Cooperative Congress of consumers' societies is to convene at Waukegan, Ill., October 29-31, 1928. Subjects listed for discussion include the following: Auditing the books of the cooperatives; The credit problem in American cooperatives; The campaign for tax exemption; Reasons and remedies for cooperative failures; Cooperative insurance; A national cooperative year book; The training school and the correspondence school; League policies during 1929 and 1930.

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CONSUMERS' COOPERATIVES TO HOLD INSTITUTE

The first Institute on Consumers' Cooperation to be held in America, is scheduled for August 19-25, at Brookwood Labor College, 40 miles north of New York City. Arrangements are being made by the Eastern States Cooperative League, New York City. The institute will be open to officers, directors, employees and shareholders of cooperative enterprises, also to "miscellaneous enthusiasts."

Morning sessions are to be given to study and class work. Evenings will be divided between formal lectures by visiting leaders from the cooperative, labor and political movements, and informal debates or round-table discussions by the cooperators themselves. Afternoons will be left open for sports and recreation.

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THIRD INTERNATIONAL POOL CONFERENCE

There was a registered attendance of nearly 400 at the third International Pool Conference held at Regina, Sask., June 5, 6, and 7, 1928. The number of registered delegates was 112 from six different countries. There were 17 representatives from the United States, 6 from England, 3 from Scotland, 2 from Russia, 1 from Australia, and many from the provinces of Canada.

Cooperative marketing associations were represented by 78 delegates, 53 of whom were from the wheat marketing organizations. Among the other commodities represented were, livestock, poultry, dairy products, fruits, and vegetables.

The premiers of Alberta, Manitoba and Saskatchewan were included among the delegates, also representatives of the United States and Canadian Departments of Agriculture and representatives of Agricultural Departments of several of the provinces.

There was also present representatives of the English and Scottish wholesale societies and representatives of the Empire Marketing Board, the Horace Plunkett Foundation, and the International Cooperative Alliance.

UNITY DAIRYMEN START NEW PAPER

A new periodical in the dairy group is the Unity Dairymen's News, issued for the first time in June by the Unity Dairymen's Cooperative Association, Inc., Utica, N. Y. While the new monthly is published primarily for the purpose of keeping the members informed regarding the industry, its editors hope that it will "in the course of time, find a wider field of usefulness, by enlisting the aid and support of all dairy farmers throughout the New York milk shed." Plans include presentation of "definite facts and specific information, truthfully and fearlessly told, regarding the things which most vitally interest them as units of the great milk industry."

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WOOL MARKETING STUDIED IN FOUR OHIO COUNTIES

"Some of the Factors Considered by Wool Producers in Marketing Their Wool in Four Ohio Counties," is the title of Mimeograph Bulletin No. 11, issued by the Department of Rural Economics of Ohio State University. The bulletin represents the results of a survey made to learn the attitude of wool producers on certain phases of cooperative marketing in Ohio. Four representative counties were selected for the inquiry, and questionnaires were sent to 900 wool producers in the four counties. In addition 52 producers and 20 wool dealers were interviewed personally. The information collected is presented with the aid of many charts and tables.

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OVERSEAS LIVESTOCK COMMISSION REPORTS

The "Report of the Saskatchewan Overseas Livestock Commission, 1927," to the Saskatchewan Agricultural Research Foundation, Regina, is a volume of 420 pages with a number of inserted charts. The Commission was instructed to study the marketing of Canadian livestock in Great Britain, and to investigate the cooperative bacon factories in England, the Irish Free State, and Denmark. Later the scope of the activities was extended to include some of the Baltic States. The party visited Denmark in a body, then separated and visited a large number of the countries of Europe, observing the livestock and general agricultural conditions. After meeting in England, the company again split up in order to cover as many as possible of the city and country markets and the ports of England and Scotland.

Part I of the report deals with the Swine Industry, and Part II with the Cattle Industry. Certain general conclusions were reached and definite recommendations were made.

REPORTED BY THE ASSOCIATIONS

"The Co-optimist" is a 24-page, monthly publication issued by the staff of the Saskatchewan Wheat Pool organizations, Regina. It is a staff paper, devoted to the interests of the personnel. About half of the space is given to advertisements.

Cooperative purchasing of fertilizer is increasing in Ohio, reports the Service Company of the Ohio Farm Bureau Federation. Purchases the past spring were 75 per cent larger than one year ago, with an increase in the quantity of high-analysis fertilizer used. The company is now planning to conduct a fall fertilizer campaign.

The fifteenth annual Dakota conference of associations affiliated with the Farmers' Equity Union, was held at McIntosh, S. D., June 14 and 15, 1928. The subjects for consideration included the cooperative marketing of cream, grain and produce in the Northwest. Attention was also given to education and to social and entertainment features.

Vitamine-tested cod liver oil is used in large quantities by the poultrymen patrons of the Eastern States Farmers' Exchange, Springfield, Mass. During the first four months of the present year the Exchange handled 3,655 gallons of this oil, compared with 2,240 gallons in the first four months of 1927. During April and May the purchases were practically double those of the same months last year.

During the spring quarter of 1928 the Dairymen's Cooperative Sales Co., Pittsburgh, Pa., gained 629 new members, and a new local unit was organized at New Bethlehem, Pa., making a total of 139 locals and 17,941 stockholders. In the same period the operating expense was \$16,825 less than the income, and \$331 was received from contract breakers who came back into the association of their own free will.

More than 100 growers contributed approximately 30,000 pounds of wool to the pool sold by the Linn County Wool Growers' Association, Linn, Mo., on May 31. A number of growers received an average of over 50 cents a pound for their entire clips. This association has been marketing wool for the past eight years and by selling on grade has encouraged members to produce better grades of wool and prepare it properly for marketing.

Sales of the Nebraska Certified Potato Growers Cooperative, Alliance, Nebr., for the year ending March 12, 1928, amounted to \$295,234. Income from marketing fees came to \$10,373; certification fees, \$12,693; membership, \$275; and other small items brought the total income to \$319,299. Net worth at the close of the year was \$10,082. This organization is engaged in producing and marketing seed potatoes and serves 150 growers.

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- Dafoe, S. W. Looking Through the Cooperative Window. O. K. Bulletin, Vancouver, B. C., June, 1928, p. 9.
- Davis, P. O. The Low-down on Alabama Cooperation: The Farm Bureau Federation is Successfully Buying and Selling for Alabama's Farmers. Progressive Farmer, Birmingham, Ala., June 9, 1928, p. 3.
- Ela, Emerson. Business Management of Cooperatives. Cooperative Marketing Journal, Memphis, Tenn., May, 1928, p. 181.
- Horner, J. T. The Early Wool Pools. Cooperative Marketing Journal, Memphis, Tenn., May, 1928, p. 175.
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- Parlby, Irene. A Beautiful Picture of "A Cooperative Civilization: It is the Inclination to Overlook Ideals that has led to so many Group Failures. (Address) Wheat Growers' Journal, Wichita, Kans., June 15, 1928, p. 21.
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- Waid, C. W. Cooperative Marketing Among Vegetable Growers Located Near Market. Market Growers' Journal, Louisville, Ky., June 15, 1928, p. 459.
- Wilcox, U. V. Cooperative Marketing Increases the Farmers' Buying Power. Better Crops with Plant Food, New York City, June, 1928, p. 30.

IN THIS ISSUE

Statistical studies:	Page
Buying farm supplies cooperatively	265
Fruits and vegetables:	
Florida Citrus Exchange reports for the past season	266
Florida association markets many cars of tomatoes	267
Peach and fig association working for efficiency (Calif.)	267
Louisiana truck growers shipping cooperatively	268
Washington association plans for more business	268
"Big Y" managers planning year's work (Wash.)	268
Dairy products:	
Seven years of Dairymen's League achievements (N.Y.)	269
Twin City association compares April figures (Minn.)	271
Wisconsin creamery nearly forty years old	271
Poultry products:	
Poultry business increasing in North Carolina	272
Egg association installs collection service (Calif.)	272
Land O'Lakes creameries buying eggs (Minn.)	273
Saskatchewan association changes marketing plan	273
Washcoegg issues fifth birthday number (Wash.)	273
Grain:	
Minnesota wheat growers presenting new contract	274
Business men endorse South Dakota wheat pool	274
Dividends paid at annual meeting (Minn.)	274
Cotton:	
Oklahoma cotton association seven years old	275
Purchasing:	
Cooperative selling and buying in Pennsylvania	276
Credit study relative to cooperative purchases (Ohio)	277
Limestone by special delivery in Missouri	277
Farmers buy their supplies cooperatively (N. J.)	277
Legal:	
Unconditional contracts must be performed	278
Director not authorized to release member	279
Education:	
Sixth congress of consumers' societies (Ill.)	280
Consumers' cooperatives to hold institute (N. Y.)	280
Third International Pool Conference (Sask.)	280
Publications:	
Unity dairymen start new paper (N. Y.)	281
Wool marketing studied in four Ohio counties	281
Overseas livestock commission reports (Sask.)	281
Miscellaneous:	
Reported by the associations	282
Selected list of publications and articles	283